



4931 08/21/06

\$2,250.00 ✓

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

No. D06-231

CONTINENTAL GENERAL
INSURANCE COMPANYREVISED
CONSENT ORDER
IMPOSING A FINEFindings of Fact:

1. Continental General Insurance Company ("Continental General") is authorized to conduct insurance business in Washington State. It issues life and disability insurance.
2. Revised Code of Washington § 48.05.250 requires every insurer to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner ("OIC") by February 28 of the following year. The Statement of Non-Guaranteed Elements (SONGE) is also due on or before February 28 of the following calendar year.
3. Washington Administrative Code 284-07-060 requires that a Statement of Actuarial Opinion be electronically filed along with an insurer's Annual Statement.
4. The April Supplemental filing is a required annual statement supplement per the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner ("OIC") also posts Annual Statement Filing Instructions on its website that indicate that the April Supplemental filings are due by April 1 of the following calendar year. WAC 284-07-050 requires adherence to these filing instructions.
5. Continental General failed to file its Statement of Actuarial Opinion and Statement of Non-Guaranteed Elements for calendar year 2004. Continental General filed its 2004 April Supplemental filings on April 27, 2005.
6. Continental General electronically filed its 2005 Statement of Actuarial Opinion and Statement of Non-Guaranteed Elements on March 3, 2006, with the signature page for the SONGE arriving on or about May 22, 2006. Continental General's 2005 Actuarial Opinion on Participating and Non-Participating Policies (PNP) remains unfiled with the OIC.

Conclusions of Law:

1. Continental General's failure to timely file its calendar year 2004 Statement of Actuarial Opinion and 2004 April Supplemental filing constitutes two violations of RCW 48.05.250.

2. Continental General's failure to timely file its calendar year 2005 Statement of Actuarial Opinion, 2005 Statement of Non-Guaranteed Elements and 2005 Actuarial Opinion on Participating and Non-Participating Policies constitutes a violation of RCW 48.05.250.

3. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order

Continental General consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

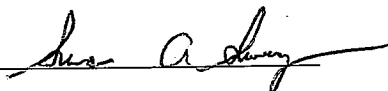
1. Continental General consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, Continental General will pay to the Insurance Commissioner a fine in the amount of \$2,250 (two thousand two hundred fifty dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Continental General in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 16th day of August, 2006.

CONTINENTAL GENERAL INSURANCE COMPANY

By: 

Printed Name: Susan A. Sweeney

Printed Corporate Title: SVP - Accounting

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Continental General Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$2,250 (two thousand two hundred fifty dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a

civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 23^d day of August, 2006

MIKE KREIDLER
Insurance Commissioner

By: 

Marcia G. Stickler
Legal Affairs Division